



# LENDER NEWS

A Publication of the Des Moines District Office and Cedar Rapids Branch Office

December, 2005

## From the District Director's Desk

### SBA's Disaster Program - Helping Those in Need

This past week Hector Barreto, our Administrator, designated Dallas and Hamilton along with 12 adjoining counties as disaster areas based on the tornados of November 12, 2005. Disaster assistance is available to homeowners, renters, businesses of all sizes and private nonprofit organizations whose property was destroyed in the storms.

I often find people surprised to learn our disaster program services included homeowners and renters. It is the one program of SBA's that reaches beyond small businesses to provide assistance to make communities whole. During this holiday season, let us not forget those less fortunate, including those close to home who have experienced losses in this disaster and those earlier this year.

Our work to assist in the long-term recovery of the gulf region continues at an ever-accelerating pace. As of December 23<sup>rd</sup> SBA has approved \$1.77 billion in disaster relief to the gulf region for hurricanes Katrina and Rita for 25,755 individuals and businesses. Disaster loans worth

\$1,488,462,300 were approved to homeowners and renters in the region and 3,831 business disaster loans have been approved for \$2,82,108,100.

The SBA Office of Disaster Assistance staff has grown from 880 prior to Katrina to 4,000 today, and 126,000 loan applications have been processed and losses verified on 127,000 properties. That's more for this single disaster alone than what is done in an average year. Decisions have been made on 38% of the loan applications. Forty-five percent of the loans approved were done in the previous 3 weeks.

Let us be mindful of those who have been through the trying times of these disasters as we reaffirm our support in their efforts to rebuild their communities.

Sincerely,

Joseph M. Folsom  
District Director

## INFORMATION

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## SBA Declares 14 Iowa Counties Eligible For Disaster Assistance

The SBA has declared Dallas and Hamilton Counties a disaster area due to damage caused by a severe storm system that produced high winds, hail, and tornados on November 12, 2005. The agency has also declared the neighboring counties of Adair, Boone, Franklin, Greene, Guthrie, Hardin, Madison, Polk, Story, Warren, Webster, and Wright as disaster areas. SBA's action responds to a request from Governor Tom Vilsack.

Low-interest Federal disaster loans are available to homeowners, renters, businesses of all sizes, and private, non-profit organizations whose property was damaged or destroyed by the storm system. Disaster loans up to \$200,000 are available to homeowners to repair or replace

damaged or destroyed real estate. Homeowners and renters are eligible for loans up to \$40,000 to repair or replace damaged or destroyed personal property.

Businesses of any size and private non-profit organizations may borrow up to \$1.5 million to repair or replace damaged or destroyed real estate, machinery and equipment, inventory, and other business assets. SBA can also lend additional funds to help with the cost of making improvements that protect, prevent, or minimize the same type of disaster damage from occurring in the future.

In addition, for small businesses only, SBA offers Economic Injury Disaster Loans (EIDLs) to help meet working capital needs

caused by the disaster. EIDL assistance is available regardless of whether the business suffered property damage.

Individuals and businesses may visit in person with SBA Disaster Officials at City Hall in Woodward, Iowa on January 9<sup>th</sup> and 10<sup>th</sup> or City Hall in Stratford, Iowa on January 11<sup>th</sup>-13<sup>th</sup>. Times are 8:30 a.m.- 5:30 p.m. Individuals unable to visit in person may obtain information and loan applications by calling toll-free (800) 659-2955. Hearing impaired individuals may call (800) 877-8339.

The deadline to return applications for property damage is February 14, 2006. The deadline to return economic injury applications is September 18, 2006.

## Lenders Can Now Make Remittances Electronically at *Pay.gov*

Effective as of December 19th, Lenders will be able to access a Web site called *Pay.gov* - <https://pay.gov/> - to make electronic remittances.

*Pay.gov* is a free, secure, government-wide financial management transaction portal managed by the U.S. Department of the Treasury's Financial Management Service, developed in conjunction with the Federal Reserve Bank. It offers various on-line electronic financial

services that the public can use for remitting payments and associated data electronically to federal agencies. *Pay.gov* is convenient, easy, and available 7 days a week - 24 hours a day.

The *Pay.gov* Web site can be used by any Lender choosing to make either Loan Guarantee Fees and/or Care & Preservation of Collateral (CPC) Expenses. Payments will be processed electronically by using either a checking

or savings account debit processed through the Automated Clearing House (ACH). By accessing the "Find Public Forms" area of the Web site, Lenders will be able to complete Form 1544 (Lender Fee Payments) to schedule payments online.

Any payment processed through *Pay.gov* requiring a refund will be returned by check. SBA can receive but cannot make payments electronically through *Pay.gov*.

## SBA Adjusts Small Business Size-Standards for Inflation

SBA has increased its small business size standards to account for inflation, restoring small business eligibility to those firms that may have lost their small business status because of inflation since February 2002.

SBA has adjusted its dollar-based small business size standards, which are based on receipts, net worth and financial assets, to reflect inflation that has occurred since

February 2002, when SBA last adjusted them for the same reason. Since the February 2002 inflation adjustment, prices have generally increased 8.7 percent. SBA increased the familiar "anchor" size standard from \$6.0 million to \$6.5 million. Size standards that are higher than \$6 million also reflect similar percentage increases.

SBA issued an Interim Final Rule on

December 6, 2005, and the revised size standards took effect the same day for its loan programs. For federal procurement, the new size standards become effective on January 5, 2006.

For more information about SBA's increase to its small business size standards for inflation, please see <http://www.sba.gov/size/indexwhatsnew.html#inflIFR>.

## SBA Lender Activity Report for November

LENDER NAME	LOCATION	#	AMOUNT
Wells Fargo Bank	Iowa	7	\$572,000
Iowa State Bank & Trust Co.	Iowa City	4	\$989,000
Bank Iowa	Waterloo	4	\$804,000
Capital One	Virginia	3	\$120,000
ECIA Business Growth	Dubuque	2	\$4,079,000
Community National Bank	Waterloo	2	\$60,100
Northwest Bank & Trust Co.	Davenport	2	\$50,000
Polk County Bank	Johnston	1	\$1,132,165
Small Business Growth Corp.	Illinois	1	\$1,042,000
Lincoln Savings Bank	Reinbeck	1	\$945,300
Federation Bank	Washington	1	\$770,000
Iowa Business Growth Co.	Johnston	1	\$445,000
Northwest Federal Svgs. Bank	WDM	1	\$390,000
CIT Small Business	New Jersey	1	\$342,000
United Bank & Trust	Marshalltown	1	\$307,000
Gateway State Bank	Clinton	1	\$257,000
City National Bank	Shenandoah	1	\$250,000
First American Bank	Fort Dodge	1	\$220,000

LENDER NAME	LOCATION	#	AMOUNT
Cedar Rapids Bank & Trust	Cedar Rapids	1	\$200,000
Exchange State Bank	Adair	1	\$200,000
Black Hawk Econ. Dev.	Waterloo	1	\$155,000
Bank Iowa	Altoona	1	\$150,000
Freedom Financial Bank	WDM	1	\$150,000
Liberty Bank	Coralville	1	\$125,000
Stearns Bank	Minnesota	1	\$114,000
Siouxland Econ. Dev. Corp.	Sioux City	1	\$109,000
Horizon Federal Savings Bank	Oskaloosa	1	\$90,000
State Savings Bank	WDM	1	\$89,800
Iowa State Bank	Orange City	1	\$71,000
Liberty Bank	WDM	1	\$60,000
Community Savings Bank	Cedar Rapids	1	\$45,000
Liberty National Bank	Sioux City	1	\$45,000
Peoples Bank	Rock Valley	1	\$30,000
Independence Bank	Rhode Island	1	\$20,000
Iowa State Bank	Des Moines	1	\$20,000
Quad City Bank & Trust	Bettendorf	1	\$16,500

*The following lenders in Iowa were participant lenders in the SBA's 504 loan program during the month of November*

LENDER NAME	LOCATION	#	AMOUNT
U.S. Bank	Iowa	1	\$4,922,341
Bankorion	Illinois	1	\$1,687,500
City State Bank	Norwalk	1	\$540,000

LENDER NAME	LOCATION	#	AMOUNT
First Security Bank	Waterloo	1	\$187,500
Security National Bank	Sioux City	1	\$147,000
DUPACO Community CU	Dubuque	1	\$107,000

From all of us at the Des Moines District Office and the Cedar Rapids Branch Office - **HAPPY NEW YEAR!**